CIEL HR Services Limited (Formerly known as CIEL HR Services Private Limited)
Special Purpose Interim Standalone Ind AS Financial Statements
Interim Standalone Balance Sheet as at 30 June 2024
(Amount in INR Millions, unless otherwise stated)

	Notes	As at 30 June 2024
ASSETS		
Non-current assets		
Property, plant and equipment	4	4.96
Right-of- use assets	5	18.72
Other intangible assets	6	5.34
Financial assets		
Investments	7	359.10
Other financial assets	8	49.54
Other non-current assets	9	106.47
Deferred Tax Asset (Net)	30	6.69
Total non-current assets		**550.82**
Current assets		
Financial assets		
Trade receivables	10	1,432.81
Cash and cash equivalents	11	15.56
Bank balances other than cash and cash equivalent	12	45.23
Loans	13	178.28
Other current assets	14	330.03
Total current assets		**2,001.91**
Total assets		**2,552.73**
EQUITY AND LIABILITIES		
Equity		
Equity share capital	15	80.90
Other equity	16	787.68
Total equity		**868.58**
Liabilities		
Non-current liabilities		
Financial liabilities		
Borrowings	17	43.70
Lease Liabilities	32	9.88
Provisions	18	119.73
Total non-current liabilities		**173.31**
Current liabilities		
Financial liabilities		
Borrowings	19	532.18
Lease Liabilities	32	11.14
Trade payables	20	
i) total outstanding dues of micro and small enterprises		0.50
ii) total outstanding dues of creditors other than micro and small enterprises		83.26
Other financial liabilities	21	665.08
Other current liabilities	23	187.23
Provisions	18	21.23
Current tax liabilities (net)	22	10.22
Total current liabilities		**1,510.84**
Total liabilities		**1,684.15**
Total equity and liabilities		**2,552.73**

See accompanying notes forming part of the Special Purpose Interim Standalone Ind AS Financial Statements 1-46

As per our report of even date
For M S K A & Associates
Chartered Accountants
Firm Registration No.:105047W

Ananthakrishnan Govindan
Partner
Membership No: 205226

M S K A & ASSOCIATES Hyderabad Chartered Accountants

Place: Hyderabad, India
Date: 03 October 2024

For and on behalf of the Board of Directors of
CIEL HR Services Limited (Formerly known as CIEL HR Services Private Limited)
CIN: U74140TN2010PLC077095

Karuppasamy Pandiarajan
Chairman and Executive Director
DIN: 00116011

Place: Chennai, India
Date: 03 October 2024

Aditya Narayan Mishra
Managing Director and CEO
DIN: 05303409

Place: Bangalore, India
Date: 03 October 2024

Saurabh Ashok More
Group Chief Financial Officer

Place: Bangalore, India
Date: 03 October 2024

Lalita Pasari
Company Secretary

Place: Bangalore, India
Date: 03 October 2024

CIEL HR Services Limited Bangalore 560 102

CIEL HR Services Limited (Formerly known as CIEL HR Services Private Limited)
Special Purpose Interim Standalone Ind AS Financial Statements
Interim Standalone Statement of Profit and Loss for the period ended 30 June 2024
(Amount in INR Millions, unless otherwise stated)

	Notes	Period ended 30 June 2024
Income		
Revenue from operations	24	3,098.56
Other income	25	10.37
Total income		**3,108.93**
Expenses		
Employee benefits expenses	26	3,004.03
Finance costs	27	14.45
Depreciation and amortization expenses	28	4.45
Other expenses	29	54.34
Total expenses		**3,077.27**
Profit before tax		**31.66**
Tax expense	30	
Current tax		2.51
Deferred tax credit		(0.36)
Total tax expense		**2.15**
Profit for the period		**29.51**
Other comprehensive income		
Re-measurement gains/ (losses) on defined benefit plans		0.09
Income tax effect on these items		(0.02)
Other comprehensive income for the period, net of tax		**0.07**
Total comprehensive income for the period, net of tax		**29.58**
Earnings per share (face value of INR 10 each)	31	
Basic earnings per share (INR)		0.73
Diluted earnings per share (INR)		0.72

See accompanying notes forming part of the Special Purpose Interim Standalone Ind AS Financial Statements 1-46

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Date: 03 October 2024

CIEL HR Services Limited (Formerly known as CIEL HR Services Private Limited)
Special Purpose Interim Standalone Ind AS Financial Statements
Standalone Statement of cash flows for the period ended 30 June 2024
(Amount in INR Millions, unless otherwise stated)

	Period ended 30 June 2024
Cash flow from operating activities	
Profit before tax	31.66
Adjustments for:	
Depreciation and amortization expenses	4.45
Unrealized foreign exchange gain/loss	(0.40)
Provision for gratuity and compensated absences	0.89
Share based payment expense	1.37
Interest expense on leases	0.50
Interest expense on borrowings	13.23
Other finance costs	0.72
Interest income	(9.97)
Operating profit before working capital changes	**42.45**
Changes in working capital	
Increase/ (Decrease) in trade payables	15.56
Increase/ (Decrease) in other current liabilities	(32.01)
Increase / (Decrease) in provisions	13.04
Increase/ (Decrease) in other financial liabilities	87.97
Decrease/ (Increase) in trade receivables	(86.25)
Decrease/ (Increase) in other financial assets	84.02
Decrease/(Increase) in other assets	(75.08)
Cash generated from operations	**49.70**
Tax expense	(0.04)
Net cash inflows from operating activities (A)	**49.74**
Cash flow from investing activities	
Payment for property, plant and equipment and intangible assets	(1.51)
Movement in bank deposits	(45.23)
Advance or loans made to employees/ other parties	(40.85)
Interest received	9.97
Net cash used in investing activities (B)	**(77.62)**
Cash flow from financing activities	
Proceeds from issuance of equity share capital, inclduing share application money and security premium	7.44
Proceeds from Borrowings	43.22
Other finance costs	(0.72)
Interest paid	(11.63)
Dividend paid	(11.32)
Principal paid on lease liabilities	(3.67)
Net cash used in financing activities (C)	**23.32**
Net decrease in cash and cash equivalents (A+B+C)	**(4.56)**
Effects of exchange rate changes on cash and cash equivalents	
Cash and cash equivalents at the beginning of the period	20.12
Cash and cash equivalents at the end of the period	**15.56**
Reconciliation of cash and cash equivalents as per the cash flow statement	
Cash and cash equivalents comprise (Refer note 11)	
Balances with banks on current accounts	15.35
Cash on hand	0.21
Total cash and cash equivalents at end of the period	**15.56**
Bank balances other than Cash and cash equivalents	45.23
Total	**60.79**

See accompanying notes forming part of the Special Purpose Interim Standalone Ind AS Financial Statements 1-46

As per our report of even date
For M S K A & Associates
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CIEL HR Services Limited Bangalore 560 102

CIEL HR Services Limited (Formerly known as CIEL HR Services Private Limited)
Special Purpose Interim Standalone Ind AS Financial Statements
Statement of changes in equity for the period ended 30 June 2024
(Amount in INR Millions, unless otherwise stated)

(A) Equity share capital
(Refer Note 15)

	No. of shares	Amount
Balance as at 1 April 2024	**80,84,141**	**80.84**
Changes in equity share capital during the period before sub-division	3,937	0.04
	80,88,078	**80.88**
Balance after Sub -division during the period	**4,04,40,390**	**80.88**
Changes in equity share capital during the period after sub-division	9,625	0.02
Balance as at 30 June 2024	**4,04,50,015**	**80.90**

(B) Other equity

For the period ended 30 June 2024 (Refer Note.16)

Particulars	Share application money pending allotment	Reserves and Surplus				Items of Other Comprehensive Income	Total
		Securities Premium	Debenture redemption reserve	Retained Earnings	Employee Stock options outstanding account	Re-measurement of the net defined benefit liability/asset	
Balance as at 1 April 2024	1.95	578.27	10.21	87.51	**81.25**	**1.53**	760.72
Profit for the period	-			29.51	-	-	29.51
Other comprehensive income	-	-	-	-	-	(0.07)	(0.07)
Securities premium credited on share issue	-	5.31	-	-	-	-	5.31
Dividend paid during the period	-	-	-	(11.32)	-	-	(11.32)
Money received on account of share application	3.48						3.48
Changes during the period	-	-	-	-	0.05	-	0.05
Balance as at 30 June 2024	**5.43**	**583.58**	**10.21**	**105.70**	**81.30**	**1.46**	**787.68**

See accompanying notes forming part of the Special Purpose Interim Standalone Ind AS Financial Statements 1-46

As per our report of even date
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Partner
Membership No: 205226

M S K A & ASSOCIATES * Hyderabad * Chartered Accountants

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CIEL HR Services Limited Bangalore 560 102

1 Corporate Information

CIEL HR Services Limited (formerly known as CIEL HR Services Private Limited) (the "Company") is a public limited Company domiciled in India and was incorporated on 23 August 2010 under the provisions of the Companies Act, 1956 applicable in India.

The registered office of the Company is located at Plot No. 3726, Door No. 41, 'Ma Foi House', 6th Avenue, Q- Block, Anna Nagar, Chennai - 600040, Tamilnadu, India.

The Company was converted into a Public limited Company and obtained fresh certificate of incorporation dated 30 November 2023.

The Company focuses on tech-led HR solutions across various industries with HR Services and Platforms impacting every part of employee life cycle. The Company provides suite of HR services including search, selection and recruitment process outsourcing services, Professional staffing, Value staffing, Payroll and compliance, HR advisory and Skilling services. The Company operates platforms which provide various functions including Talent assessment and development, Talent engagement, Employee learning, Human resource management system, Fresher upskilling and Statutory compliance management.

The Board of Directors approved the financial statements for the period ended 30 June 2024 and authorised for issue on 03 October 2024.

2 Material accounting policies

Material accounting policies adopted by the Company are as under:

2.01 Basis of Preparation of Financial Statements

(a) Statement of Compliance

Special Purpose Interim Standalone Ind AS Financial Statements of the company as at and for the three months period ended 30 June 2024 prepared in accordance with the Indian Accounting Standard 34 "Interim Financial Reporting", as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other recognised accounting practices and policies generally accepted in India including the requirements of the Act, which has been approved by the Board of Directors at their meeting held on 03 October 2024.

The Special Purpose Interim Consolidated Ind AS Financial Statements are prepared for the purpose of preparation of restated consolidated financial information to be included in the Draft Red Herring Prospectus("DRHP") ("Offer Document" of the Company in relation to its proposed initial public offering of equity shares as required by Section 26 of Part I of Chapter III of the Act, SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI (the Guidance Note"). As a result, the Special Purpose Interim Consolidated Ind AS Financial Statements may not be suitable for another purpose.

The comparative figures are not applicable since these are for Special Purpose as mentioned above and exempt as per SEBI ICDR Regulations.

(b) Basis of measurement

The financial information have been prepared on the historical cost basis except for the following items:

- Certain financial assets and liabilities : Measured at fair value
- Borrowings : Amortised cost using effective interest rate method
- Net defined benefit (asset)/ liability : Present value of defined benefit obligations less fair value of plan asset

The Company has prepared the standalone financial statements on the basis that it will continue to operate as a going concern.

(c) Classification between Current and Non-current

The Schedule III to the Act requires assets and liabilities to be classified as either current or non-current. The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

Assets

An asset is treated as current when it is:
i. Expected to be realised within twelve months after the reporting period, or
ii. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
All other assets are classified as non-current.

Liabilities

A liability is current when:
i. It is expected to be settled in normal operating cycle
i. It is due to be settled within twelve months after the reporting period, or
iii. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has considered twelve months as its operating cycle.

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CIEL HR Services Limited Bangalore 560 102

(Amount in INR Millions, unless otherwise stated)

(d) Use of estimates and judgement

The preparation of the standalone financial statements in conformity with Ind AS requires the management to make estimates, judgements and assumptions that affect the application of accounting policies and the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon the Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates.

Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognized in the year in which the estimates are revised and in any future years affected.

2.02 Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the period in which they are incurred.

2.03 Depreciation methods, estimated useful lives

Depreciation is the systematic allocation of the depreciable amount of PPE over its useful life and is provided on a straight-line basis over the useful lives as prescribed in Schedule II to the Act. All items of property plant and equipment are stated at cost less accumulated depreciation and impairment loss if any.

Depreciable amount for PPE is on the cost of PPE. The useful life of PPE is the period over which PPE is expected to be available for use by the Company.

Property, plant and equipment	Useful Life
Furniture and Fixtures	05 years
Office Equipment	05 years
Computers:	
-Servers	06 years
-End user devices such as, desktops, laptops etc.	03 years
Vehicles	08 years

Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of acquisition. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss under 'Other Income'.

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, as appropriate.

(a) Computer software

Costs associated with maintaining software programmes are recognised as an expense as incurred.
Development Cost that are directly attributable to the design and testing of identifiable and unique software products are recognised as intangible assets where criteria mentioned in point (b) below are met. Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.
Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is available for use.

(b) Internally generated: Research and development

Research costs are expensed as incurred. Software product development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Company has an intention and ability to complete and use or sell the software and the costs can be measured reliably. The costs which can be capitalised include the cost of material, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use.

The Company amortized intangible assets over their estimated useful lives using the straight line method. The estimated useful lives of intangible assets are as follows:

Intangible assets	Useful life
Computer software	03 years
HR platforms	05 years

CIEL HR Services Limited Bangalore 560 102

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Intangible assets with finite lives are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year end.
Intangible assets with indefinite useful lives are not amortised. Such intangible assets are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss. when the asset is derecognised.

2.04 Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

2.05 Foreign Currency Transactions

(a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

(b) Transactions and balances

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/Losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Statement of Profit and Loss.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date and the exchange differences are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

2.06 Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
► In the principal market for the asset or liability, or
► In the absence of a principal market, in the most advantageous market for the asset or liability accessible to the Company.

The principal or the most advantageous market must be accessible by the Company.
The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.
A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. The Company's management determines the policies and procedures for fair value measurement such as derivative instrument.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
► Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
► Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
► Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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CIEL HR Services Limited Bangalore 560 102

2.07 Revenue from contract with customer

(a) Sale of services

Revenue is recognised to the extent that it is highly probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation.

Revenue from staffing services is recognised over time since the customer simultaneously receives and consumes the benefits. The invoicing for these services is either based on cost plus a service fee model, fixed fee.

Revenue from recruitment services is recognised at a point in time based on satisfaction of specific performance criteria included in contractual arrangements with customers.

Revenues in excess of invoicing are classified as Contract Assets (unbilled revenue), while invoicing in excess of revenues are classified as Contract Liability (unearned revenue).

(b) Other Income

(i)Interest Income
For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the Statement of Profit and Loss.

(c) Contract Balances

Contract assets
A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. A receivables represents the Company's right to an amount of consideration that is unconditional.

Contract Liability
A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

Trade Receivable
A trade receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

2.08 Investments in subsidiaries

Investment in equity instruments issued by subsidiaries are measured at cost.

2.09 Taxes

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period.

(a) Current income tax

Income tax expense comprises current tax expense and deferred tax charge or credit during the year. Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the year/period end date. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

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(b) Deferred tax

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2.10 Leases

The Company as a lessee

The Company's lease asset classes primarily consist of leases for office space. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

. Lease liabilities include the net present value of the following lease payments:
• fixed payments (including in-substance fixed payments), less any lease incentives receivable
• variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
• amounts expected to be payable by the group under residual value guarantees
• the exercise price of a purchase option if the group is reasonably certain to exercise that option, and
• payments of penalties for terminating the lease, if the lease term reflects the group exercising that option

Right-of-use assets are measured at cost comprising the following:
• the amount of the initial measurement of lease liability
• any lease payments made at or before the commencement date less any lease incentives received
• any initial direct costs
• restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

2.11 Impairment of non-financial assets

The Company assesses at each year end whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the Company estimates the asset's recoverable amount and the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in Statement of Profit and Loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through Statement of Profit and Loss.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash in flows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

MSKA & ASSOCIATES Hyderabad

CIEL HR Services Limited Bangalore 560 102

2.12 Provisions and contingent liabilities

Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

If the Company has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the Company recognises any impairment loss that has occurred on assets dedicated to that contract.

An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Company cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The cost of fulfilling a contract comprises the costs that relate directly to the contract (i.e., both incremental costs and an allocation of costs directly related to contract activities).

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

2.13 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise balance with banks, cash on hand, cheques/ draft on hand and short-term deposits net of bank overdraft with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purposes of the cash flow statement, cash and cash equivalents include balance with banks, cash on hand, cheques/ draft on hand and short-term deposits net of bank overdraft.

2.14 Cash flow statement

Cash flow statement is reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2.15 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(a) Financial assets

(i) Initial recognition and measurement

At initial recognition, financial asset is measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

(ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

a) at amortized cost; or
b) at fair value through other comprehensive income; or
c) at fair value through profit or loss.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method (EIR).

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of Profit and Loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss (FVTPL): Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

MSKA & Associates Chartered Accountants Hyderabad

CIEL HR Services Limited Bangalore 560 102

Equity instruments: All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument- by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

(iii) Impairment of financial assets

In accordance with Ind AS 109, Financial Instruments, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets that are measured at amortized cost and FVOCI.

For recognition of impairment loss on financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent years, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL.

Life time ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the year end.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

In general, it is presumed that credit risk has significantly increased since initial recognition if the payment is more than 30 days past due.

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/expense in the statement of profit and loss. In balance sheet ECL for financial assets measured at amortized cost is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

(iv) Derecognition of financial assets

A financial asset is derecognized only when
a) the rights to receive cash flows from the financial asset is transferred or
b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the financial asset is transferred then in that case financial asset is derecognized only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

(b) Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

(ii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

MSKA & ASSOCIATES Hyderabad Chartered Accountants

CIEL HR Services Limited Bangalore 560 102

Borrowings
After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

Borrowing Cost: Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

(iii) Derecognition
A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss as finance costs.

2.16 Employee Benefits

(a) **Short-term benefits**
Short term employee benefits are measured on an undiscounted basis and are expensed as the related service is provided. Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognized in respect of employees' services up to the end of the year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(b) **Other long-term employee benefits**
(i) **Defined contribution plan**
Provident Fund: Contribution towards provident fund is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

Employee's State Insurance Scheme: Contribution towards employees' state insurance scheme is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

(ii) **Defined benefit plans**
Gratuity: The Company provides for gratuity, a defined benefit plan (the 'Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each reporting period. Actuarial losses/gains are recognized in the other comprehensive income in the year in which they arise.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Compensated Absences: Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the period are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the period end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the period are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each period. Actuarial losses/gains are recognized in the statement of profit and loss in the period in which they arise.

Leaves under define benefit plans can be encashed only on discontinuation of service by employee.

MSKA & ASSOCIATES Hyderabad Chartered Accountants

CIEL HR Services Limited Bangalore 560 102

(c) Share-based payments

Employees (including senior executives) of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions). The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.
That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Companies' best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

2.17 Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share is the net profit or loss for the year after deducting preference dividends and any attributable tax thereto for the year. The weighted average number of equity shares outstanding during the year and for all the years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

2.18 Segment Reporting

In accordance with Ind AS 108, Operating segments, segment information has been disclosed in the special purpose consolidated interim financial statements of the Company and no separate disclosure on segment information is given in these special purpose standalone interim financial statements.

3 Significant accounting judgments, estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

3.1 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the year end date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(a) Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Company neither have any taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the Company has determined that it cannot recognize deferred tax assets on the tax losses carried forward except for the unabsorbed depreciation. Refer Note 30.

(b) Defined benefit plans (gratuity benefits and compensated absences)

The cost of the defined benefit plans such as gratuity and compensated absences are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each year end.

MSKA & ASSOCIATES Hyderabad Chartered Accountants

CIEL HR Services Limited Bangalore 560 102

The principal assumptions are the discount and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis. For details refer Note 34.

(c) Useful lives of property, plant and equipment and intangible assets

As described in the significant accounting policies, the Company reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period. Useful lives of intangible assets is determined on the basis of estimated benefits to be derived from use of such intangible assets. These reassessments may result in change in the depreciation /amortization expense in future periods.

(d) Impairment of non-financial assets and goodwill

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

(e) Provisions

Provisions are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events that can reasonably be estimated. The timing of recognition requires application of judgement to existing facts and circumstances which may be subject to change. The litigations and claims to which the Company is exposed are assessed by management and in certain cases with the support of external specialised lawyers.

(f) Provision for expected credit losses of trade receivables and contract assets

The Company uses a provision matrix to calculate expected credit loss (ECL) for trade receivables and contract assets.

The provision matrix is initially based on the Company's historical observed default rates. The Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates and ECLs is a significant estimate. The Company's historical credit loss experience may also not be representative of customer's actual default in the future.

MSKA & Associates Hyderabad Chartered Accountants

CIEL HR Services Limited Bangalore 560 102

CIEL HR Services Limited (Formerly known as CIEL HR Services Private Limited)
Special Purpose Interim Standalone Ind AS Financial Statements
Notes forming part of the Special Purpose Interim Standalone Ind AS Financial Statements
(Amount in INR Millions, unless otherwise stated)

4 Property, plant and equipment

Particular	Gross Carrying Amount				Depreciation			Net Carrying Amount
	As at 1 April 2024	Additions	Disposals	As at 30 June 2024	As at 1 April 2024	Depreciation for the period	As at 30 June 2024	As at 30 June 2024
Furniture and fixtures	0.01	-	-	0.01	0.01	-	0.01	-
Vehicles	0.66	-	-	0.66	0.31	0.03	0.34	0.32
Office equipment	0.72	0.24	-	0.96	0.34	0.04	0.38	0.58
Computers and equipment	9.83	1.27	-	11.10	6.46	0.58	7.04	4.06
Total	**11.22**	**1.51**	**-**	**12.73**	**7.12**	**0.65**	**7.77**	**4.96**

4.01 Revaluation of Assets

The Company has not revalued its property, plant and equipment (including right-of-use assets) during the current period.
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5 Right-of-use Assets

Particular	Gross Carrying Amount				Depreciation			Net Carrying Amount
	As at 1 April 2024	Additions	Disposals	As at 30 June 2024	As at 1 April 2024	Depreciation for the period	As at 30 June 2024	As at 30 June 2024
Buildings	45.20	-	-	45.20	23.31	3.17	26.48	18.72
Total	**45.20**	**-**	**-**	**45.20**	**23.31**	**3.17**	**26.48**	**18.72**

5.01 Leases where company is a lessee

The Company also has certain leases of office space with lease terms of 12 months or less. The Company applies the 'short-term lease' recognition exemptions for these leases. (Recognised in other expenses Refer note 29)

6 Other intangible assets

Particular	Gross Carrying Amount				Amortisation			Net Carrying Amount
	As at 1 April 2024	Additions	Disposals	As at 30 June 2024	As at 1 April 2024	Amortisation for the period	As at 30 June 2024	As at 30 June 2024
Computer Software	0.96	-	-	0.96	0.43	0.07	0.50	0.46
Bridge Vendor	1.87	-	-	1.87	1.87	-	1.87	-
APPI Payroll	6.43	-	-	6.43	3.71	0.28	3.99	2.44
Rise HR Management	2.57	-	-	2.57	1.49	0.12	1.61	0.96
HYRE Equipment	3.86	-	-	3.86	2.22	0.16	2.38	1.48
Total	**15.69**	**-**	**-**	**15.69**	**9.72**	**0.63**	**10.35**	**5.34**

6.01 Revaluation of Intangible Assets

The Company has not revalued its Intangible Assets during the current period

M S K A & ASSOCIATES Hyderabad Chartered Accountants

CIEL HR Services Limited Bangalore 560 102

CIEL HR Services Limited (Formerly known as CIEL HR Services Private Limited)
Special Purpose Interim Standalone Ind AS Financial Statements
Notes forming part of the Special Purpose Interim Standalone Ind AS Financial Statements
(Amount in INR Millions, unless otherwise stated)

7 Financial Assets- Investments

	As at 30 June 2024
Investment in equity unquoted instruments (fully paid-up)	
Investment in Subsidiaries at cost	
1,040,000 shares of ₹10 each fully paid up in CIEL Skills and Careers Pvt Ltd	10.40
4,011,675 shares of ₹10 each fully paid up in Ma Foi Strategic Consultants Pvt Ltd	40.12
521,959 shares of ₹10 each fully paid up in Next Leap Career Solutions Pvt Ltd	210.29
471,892 shares of ₹10 each fully paid up in Integrum Technologies Pvt Ltd	4.72
9,999 shares of ₹10 each fully paid up in CIEL Technologies Pvt Ltd	0.10
600,000 shares of ₹10 each fully paid up in Aargee Staffing Services Pvt Ltd	2.00
309,031 shares of ₹10 each fully paid up in Firstventure Corporation Pvt Ltd	91.47
Total (equity instruments)	**359.10**
Current	-
Non- Current	359.10
	359.10
Aggregate book value of:	
Unquoted investments	359.10

8 Other financial assets

	30 June 2024	
	Non Current	**Current**
Financial instruments at amortised cost		
Security deposits	14.90	-
Bank deposits accounts with more than 12 months maturity	30.12	-
Interest accrued on deposits with bank	4.52	-
Total	**49.54**	-

9 Other non-current assets

	30 June 2024
Reimbursement right for Gratuity (Refer Note 34)	106.47
Total	**106.47**

M S K A & ASSOCIATES Hyderabad Chartered Accountants

CIEL HR Services Limited Bangalore 560 102

(Amount in INR Millions, unless otherwise stated)

10 Trade receivable	**30 June 2024**
Unsecured, considered good	
Receivable from contract with customer - billed	1,106.09
Receivable from contract with customer - unbilled*	329.94
Less: Allowance for expected credit losses	(3.22)
Total	**1,432.81**

*Revenues in excess of invoicing are classified as Contract Assets (unbilled revenue), when Company has satisfied its performance obligations but has not yet issued the invoice. The Company has an unconditional right to consideration before it invoices its customers.

i. Refer Note. 36 for the Company's credit risk management process.

The movement in allowances for expected credit losses is as follows:

Particulars	**30 June 2024**
Opening balance	3.22
Additions / (Reversals)	-
Closing Balance	**3.22**

10.01 Ageing of Trade Receivables

As at 30 June 2024	**Current**							
Particulars	**Unbilled Dues**	**Not Due**	**Outstanding for following periods from due date of payment**					
			Less than 6 months	**6 months - 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i) Undisputed trade receivables – considered good	329.94	665.19	391.91	31.78	15.06	0.80	1.35	1,436.03
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed trade receivables – considered good	-	-	-	-	-	-	-	-
(v) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed trade receivables – credit impaired	-	-	-	-	-	-	-	-
Less: Allowance for bad and doubtful debts (Disputed + Undisputed)								(3.22)
Total								**1,432.81**

M S K A & ASSOCIATES Hyderabad Chartered Accountants

CIEL HR Services Limited Bangalore 560 102

(Amount in INR Millions, unless otherwise stated)

		30 June 2024
11	**Cash and cash equivalents**	
	Balances with banks:	
	In current accounts	15.35
	Cash on hand	0.21
	Total	**15.56**
12	**Bank Balances other than Cash and cash equivalent**	
	Deposit with maturity for more than 3 months butless than 12 months	45.23
	Total	**45.23**
13	**Loans**	
	Unsecured, considered good	
	Loans to related parties (Refer Note no.33)	178.28
		178.28

The following disclosures is made where Loans given to its related parties (as defined under Companies Act, 2013)

Name of the subsidiaries	Repayable on demand (Yes / No)	Purpose of Loan	Rate of Interest	30 June 2024	
				Amount outstanding as at the balance sheet date	% of Total
CIEL Technologies Pvt Ltd	Yes	Working Capital requirements	9.00%	5.19	2.91%
Ma Foi Strategic Consultants Pvt Ltd	Yes	Working Capital requirements	9.00%	133.15	74.69%
Integrum Technologies Pvt Ltd	Yes	Working Capital requirements	9.00%	31.50	17.67%
CIEL Skills And Careers Pvt Ltd	Yes	Working Capital requirements	9.00%	5.30	2.97%
Aargee Staffing services Pvt Ltd	Yes	Working Capital requirements	9.00%	3.14	1.76%

		30 June 2024
14	**Other current assets**	
	Balance with Government authorities	281.41
	Prepaid expenses	28.10
	Advance to Deputy employees	0.99
	Advances to Vendors	1.32
	Advances to Employees	0.38
	Reimbursement right for Gratuity	17.83
	Total	**330.03**

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CIEL HR Services Limited Bangalore 560 102

(Amount in INR Millions, unless otherwise stated)

15	**Equity Share capital**	**30 June 2024**
	Authorized Share Capital	
	55,000,000 Equity Shares of Rs. 2/- each	110.00
		110.00
	Issued, subscribed and paid up share capital	
	40,450,015 Equity shares of Rs. 2/- each	80.90
	Total	**80.90**

Reconciliation of authorized share capital at the beginning and at the end of the period

	30 June 2024	
Authorized Share Capital	**Number of shares**	**Amount**
Equity shares of INR 2/- each	1,10,00,000	11,00,00,000
Change during the period (Refer Note (i))	4,40,00,000	-
Outstanding at the end of the period	**5,50,00,000**	**11,00,00,000**

(i) On and from the record date of 15 May 2024, the equity shares of the company have been sub-divided, such that 1 (one) equity having face value of Rs. 10 (ten only) each, fully paid up, stands sub- divided into 5 (five) equity shares having face value of Rs. 2 (two) each, fully paid up, ranking pari-passu in all respects.

Reconciliation of equity shares outstanding at the beginning and at the end of the period

	30 June 2024	
Equity Shares	**Number of shares**	**Amount**
Outstanding at the beginning of the period	80,84,141	80.84
Add:		
i. Issued during the year - for cash (Refer Note b)	3937	0.04
	80,88,078	**80.88**
Outstanding after Sub -division during the period (refer note a)	4,04,40,390	80.88
Issued during the period (refer note c)	9625	0.02
Outstanding at the end of the period	**4,04,50,015**	**80.90**

Notes:
(a) On and from the record date of 15 May 2024, the equity shares of the company have been sub-divided, such that 1 (one) equity having face value of Rs. 10 (ten only) each, fully paid up, stands sub- divided into 5 (five) equity shares having face value of Rs. 2 (two) each, fully paid up, ranking pari-passu in all respects.

b) The Company has made private placement of shares for the period ending 30 June 2024 of 3,937 shares of Rs.10 each.

c) During the period ended 30 June 2024, company has issued equity shares under CIEL HR Services Private Limited Employee Stock Option Plan, 2022 of 9625 shares of Rs.2/- each.

Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

	30 June 2024	
Name of the shareholder	**Number of shares**	**% of holding in the class**
Equity shares of Rs.2/- each fully paid		
Karuppasamy Pandiarajan	1,83,20,295	45.29%
Hemalatha Rajan	63,58,285	15.72%
Aditya Narayan Mishra	59,68,875	14.76%
Santhosh Nair	40,15,620	9.93%

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

Details of Shares held by Promoters at the end of the period

Promoter name	**30 June 2024**		
	No. of Shares	**% of total shares**	**% Change during the period**
Karuppasamy Pandiarajan	1,83,20,295	45.29%	(1.02%)
Hemalatha Rajan	63,58,285	15.72%	(1.25%)
Aditya Narayan Mishra	59,68,875	14.76%	(0.01%)
Santhosh Nair	40,15,620	9.93%	(0.01%)
Doraiswamy Rajiv Krishnan	6,31,250	1.56%	1.24%
Total	**3,52,94,325**	**87.25%**	**(1.05%)**

MSKA & ASSOCIATES Hyderabad Chartered Accountants

CIEL HR Services Limited Bangalore 560 102

CIEL HR Services Limited (Formerly known as CIEL HR Services Private Limited)
Special Purpose Interim Standalone Ind AS Financial Statements
Notes forming part of the Special Purpose Interim Standalone Ind AS Financial Statements
(Amount in INR Millions, unless otherwise stated)

16 Other equity

	30 June 2024
Employee Stock options outstanding account (Refer Note a)	81.30
Securities premium (Refer Note b)	583.58
Surplus in the Statement of Profit and Loss (Refer Note c)	105.70
Debenture redemption reserve (Refer Note d)	10.21
Equity Share Application Money (Refer Note e)	5.43
Other Comprehensive Income (Refer Note f)	1.46
	787.68

*ESOOA recognizes the fair value of options as at the grant date spread over the vesting period.
The employee stock options reserve is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration. Refer to Note 37 for details of these plans.

(a) Employee Stock options outstanding account (ESOOA)*

	30 June 2024
Balance at the beginning of the period	81.25
Add: Employee stock option expense	1.37
Less: reductions during the period	(1.32)
	81.30

(b) Securities premium*

	30 June 2024
Opening balance	578.27
Add : Securities premium credited on share issue	5.31
Closing balance	**583.58**

* Securities premium is used to record the premium on issue of shares. Security premium record premium on issue of shares to be utilized in accordance with the Act.

(c) Surplus/(deficit) in the Statement of Profit and Loss

	30 June 2024
Opening balance	87.51
Add: Net Profit/loss for the current period	29.51
Less: Dividend paid	(11.32)
Less: Transfer to Debenture redemption reserve account	-
Closing balance	**105.70**

(d) Debenture redemption reserve

	30 June 2024
-as AT beginning of the Period	10.21
-Transfer from retained earnings	-
Closing balance	**10.21**

(e) Equity Share Application Money

	30 June 2024
-As at beginning of the period	1.95
Equity Share Application Money received during the period	3.48
Closing balance	**5.43**

(f) Other Comprehensive Income

	30 June 2024
Opening Balance	1.53
Changes during the period	(0.07)
Closing Balance	**1.46**

17 Non-current borrowings

	30 June 2024
Secured	
(a) Term loan	
From Banks	-
Unsecured	
(a) Debentures	
10 % Non convertible debentures (Refer Note i)	43.70
(b) From other parties	-
Total	**43.70**
Less: Current maturities of long term debt	-
Total	43.70

i.10% Non -Convertible Debentures payable quaterly are redeemable at par at the end of twenty four months from the date of allotment. The debenture holder would have an option to request for redemption of NCDs before the end of the maturity period by giving a notice of not less than 90 days to the Company.

MSKA & ASSOCIATES Hyderabad Chartered Accountants

CIEL HR Services Limited Bangalore 560 102

(Amount in INR Millions, unless otherwise stated)

18 Provisions

	30 June 2024
Non Current	
Provision for employee benefits (Refer note 34)	
Provision for gratuity (unfunded)	116.32
Compensated absences (unfunded)	3.40
Unpaid Dividend	0.01
Total Provisions	**119.73**

Current	**30 June 2024**
Provision for employee benefits (Refer note 34)	
Provision for gratuity (unfunded)	19.75
Provision for compensated absences (unfunded)	1.48
Total Provisions	**21.23**

19 Current borrowings	**30 June 2024**
Secured, from bank, term loan	
-Working capital loans	494.89
Unsecured Loans	
From other parties	37.29
Total current borrowings	**532.18**

Particulars	Coupon/ Interest rate	Year of maturity	Carrying amount as at 30 June 2024
Unsecured Loans from Banks/Financial Institutions :			
(i) Oxyzo Financial Services Limited	14.50%	Mar-25	37.29
Total			**37.29**

MSKA & ASSOCIATES ★ Chartered Accountants ★ Hyderabad

CIEL HR Services Limited Bangalore 560 102

CIEL HR Services Limited (Formerly known as CIEL HR Services Private Limited)
Special Purpose Interim Standalone Ind AS Financial Statements
Notes forming part of the Special Purpose Interim Standalone Ind AS Financial Statements
(Amount in INR Millions, unless otherwise stated)

20 Trade payables

	30 June 2024
Total outstanding dues of micro and small enterprises	0.50
Total outstanding dues of creditors other than micro and small enterprises	34.12
Provision for accrued expenses	49.14
Total	**83.76**

Trade Payables ageing schedule

30 June 2024	Current					
Particulars	Unbilled dues	Outstanding for following periods from due date of Payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	0.50				0.50
(ii) Disputed dues – MSME	-					-
(iii) Others	49.14	34.12				83.26
(iv)Disputed dues - Others	-					-
Total	**49.14**	**34.62**	-	-	-	**83.76**

Disclosure relating to suppliers registered under MSMED Act based on the information available with the Company:

Particulars	**30 June 2024**
(a) Amount remaining unpaid to any supplier at the end of each accounting period:	
Principal	0.50
Interest	-
Total	
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting period.	
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED Act.	
(d) The amount of interest accrued and remaining unpaid at the end of each accounting period.	
(e) The amount of further interest remaining due and payable even in the succeeding periods, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	

21 Other financial liabilities

	Current 30 June 2024
Staff payables	661.54
Interest accrued but not due on loan	2.13
Bills discounted with banks	1.41
Total	**665.08**

22 Current tax liabilities (net)

	30 June 2024
Income tax payable	10.22
Total	**10.22**

23 Other current liabilities

	30 June 2024
Statutory dues payable	160.65
Advance from customers	26.34
Other payables	0.24
Total	**187.23**

MSKA & ASSOCIATES Hyderabad Chartered Accountants

CIEL HR Services Limited Bangalore 560 102

CIEL HR Services Limited (Formerly known as CIEL HR Services Private Limited)
Special Purpose Interim Standalone Ind AS Financial Statements
Notes forming part of the Special Purpose Interim Standalone Ind AS Financial Statements
(Amount in INR Millions, unless otherwise stated)

24 Revenue from operations

	30 June 2024
Revenue from contracts with customers	
HR Services	3,098.56
Total	**3,098.56**

The following table discloses the movement in trade receivables (unbilled) as disclosed in Note 10:

	30 June 2024
Balance at the beginning of the period	238.02
Add: Revenue recognised during the period	798.05
Less: Invoiced during the period	(706.13)
Balance at the end of the period	**329.94**

Disaggregation of revenue

The above break up presents disaggregated revenues from contracts with customers by each of the business segments. The company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

Performance obligations and remaining performance obligations

Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the value of remaining performance obligations for:

(i) contracts with an original expected duration of one year or less and

(ii) contracts for which the Company has a right to consideration from a customer in an amount that corresponds directly with the value to the customer of the entity's performance completed to date which are typically contracts of time and material in nature

The aggregate value of performance obligations that are completely or partially unsatisfied, other than those meeting the exclusion criteria mentioned above, as of 30 June 2024 is Nil.

25 Other income

	30 June 2024
Interest income	
- on fixed deposits	1.50
- on loans to Related Parties (Refer Note 33)	3.62
- on lease deposits	0.06
- on tax refunds receivable	4.79
Net gains on foreign currency transactions and translations	0.40
Total	**10.37**

26 Employee benefits expense

	30 June 2024
Salaries, wages, bonus and other allowances	2,826.88
Contribution to Provident Fund and other funds	174.63
Gratuity expenses (Refer Note 34)	0.89
Employee stock option scheme compensation (Refer Note 37)	1.37
Staff welfare expenses	0.26
Total	**3,004.03**

CIEL HR Services Limited Bangalore 560 102
MSKA & ASSOCIATES Hyderabad Chartered Accountants

(Amount in INR Millions, unless otherwise stated)

		30 June 2024
27	**Finance costs**	
	Interest expense on borrowing	13.23
	Interest expense on delay in payment of taxes	0.05
	Interest expense on lease liabilities	0.50
	Loan processing charges and other finance cost	0.67
	Total	**14.45**

		30 June 2024
28	**Depreciation and amortization expense**	
	Depreciation of property, plant and equipment (Refer Note 4)	0.65
	Amortization of intangible assets (Refer Note 6)	0.63
	Depreciation of Right-of-use assets (Refer Note 5)	3.17
	Total	**4.45**

		30 June 2024
29	**Other expenses**	
	Recruitment and training	0.33
	Rent	4.70
	Travelling, Stay and Conveyance	2.61
	Postage & courier, Printing & Stationery	0.36
	Printing & Stationery	0.07
	Communication, IT and office expenses	0.47
	Office Expenses	0.56
	Corporate and Social Responsibilty (CSR) expenditure	0.18
	Legal and professional charges	5.45
	Bussiness partner fee	28.11
	Bussines promotion & sales expenses	1.37
	Software Licence Expenses	9.25
	Rates and taxes	0.11
	Miscellaneous expenses	0.02
	Remuneration to Statutory Auditors*	0.75
	Total	**54.34**

*Note : The following is the break-up of Auditors remuneration (exclusive of service tax)

As auditor:	
Statutory audit	0.75
Total	**0.75**

		30 June 2024
30	**Tax Expenses**	
	Income tax expense charged to the statement of profit or loss	
	- Current tax	2.51
	- Deferred tax credit	(0.36)
	Income Tax Adjustments relating to prior periods	-
	Income tax expense reported in the statement of profit or loss	**2.15**

	30 June 2024
Income tax expense charged to other comprehensive income	
Net loss/(gain) on remeasurements of defined benefit plans	(0.02)
Income tax charged to other comprehensive income	**(0.02)**

Income tax expense attributable to	
Profit from continuing operations	2.15
	2.15

M S K A & ASSOCIATES
Hyderabad
Chartered Accountants

CIEL HR Services Limited
Bangalore
560 102

CIEL HR Services Limited (Formerly known as CIEL HR Services Private Limited)
Special Purpose Interim Standalone Ind AS Financial Statements
Notes forming part of the Special Purpose Interim Standalone Ind AS Financial Statements
(Amount in INR Millions, unless otherwise stated)

30.01 **Reconciliation of tax charge and the accounting profit**

	30 June 2024
Profit before tax	31.66
Tax Rate	7.97
Tax effects of items that are not deductible/ deductible in determining taxable income:	
Effect of other income considered separately	2.51
Deferred Tax benefit during the period (Refere note 30.02)	(0.36)
Income tax expense	**2.15**

30.02 **Deferred tax assets**

Period ended 30 June 2024	Opening Balance	Recognised/ (reversed) in Profit or loss	Recognised/ (reversed) in other comprehensive income	Closing balance
Deferred tax assets				
On property, plant and equipment	0.42	0.02	-	0.44
On other intangible assets	0.65	0.02	-	0.67
On lease liabilities	6.09	(0.80)	(0.02)	5.27
On re-measurements gain/(losses) of post-employment benefit obligations	2.76	1.45	-	4.21
On provision for doubtful debts	0.81	-	-	0.81
On provsion for expenses	1.13	(1.13)	-	-
	11.86	**(0.44)**	**(0.02)**	**11.40**
Deferred tax liabilities				
On Right of Use assets	(5.51)	0.80	-	(4.71)
	(5.51)	0.80	-	(4.71)
Deferred tax assets/ (liabilities), net	**6.35**	**0.36**	**(0.02)**	**6.69**

30.03 **Recognition of deferred tax asset to the extent of deferred tax liability**

Particulars	30 June 2024
Deferred tax asset	6.69
Deferred tax liabilities	-
Deferred tax assets/ (liabilities), net	**6.69**

M S K A & ASSOCIATES Hyderabad Chartered Accountants

CIEL HR Services Limited Bangalore 560 102

(Amount in INR Millions, unless otherwise stated)

31 Earnings per equity share

Basic earnings /(loss) per share amounts are calculated by dividing the profit/loss for the period attributable to equity holders by the weighted average number of equity shares outstanding during the period.

Diluted earnings /(loss) per share amounts are calculated by dividing the profit/loss attributable to equity holders (after adjusting for interest on the convertible preference shares) by the weighted average number of equity shares outstanding during the period plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted earnings per equity share computations:

Particulars	**30 June 2024**
Basic earnings per equity share (INR)	0.73
Diluted earnings per equity share (INR)	0.72
Profit attributable to the equity shareholders	
Profit attributable to the equity shareholders used in calculating basic earnings per equity share	29.51
Profit attributable to the equity shareholders used in calculating diluted earnings per equity share	29.51
Weighted average number of shares used as denominator	
Weighted average number of shares used as denominator in calculating basic earning per share	4,04,33,309
Weighted average number of shares used as denominator in calculating diluted earning per share	4,10,20,243

Computation of weighted average number of shares

Particulars	**30 June 2024**
Number of equity shares outstanding at beginning of the period	4,04,20,705
Add: Weighted average number of equity shares issued during the period	12,604
Weighted average number of shares outstanding at the end of period for computing basic earnings per share	**4,04,33,309**
Add: Impact of potentially dilutive equity shares - employee stock options	5,86,934
Weighted average number of shares outstanding at the end of period for computing diluted earnings per share	**4,10,20,243**

32 Leases where company is a lessee

Changes in the Lease liabilities

Particulars	**Category of ROU Asset Buildings**	**Total**
Balance as at 1 April 2024	**24.19**	**24.19**
Recognized during the period	-	-
Unwinding of discount on lease liabilities	0.50	**0.50**
Payments during the period	(3.67)	**(3.67)**
Balance as at 30 June 2024	**21.02**	**21.02**

Break-up of current and non-current lease liabilities

Particulars	**30 June 2024**
Current Lease Liabilities	11.14
Non-current Lease Liabilities	9.88
Total	**21.02**

Maturity analysis of lease liabilities

Particulars	**30 June 2024**
Less than one year	11.14
One to five years	9.88
More than five years	-
Total	**21.02**

Amounts recognised in statement of Profit and Loss account

Particulars	**30 June 2024**
Interest on lease liabilities	0.50
Short-term leases expensed	4.70
Total	**5.20**

M S K A & ASSOCIATES Hyderabad Chartered Accountants

CIEL HR Services Limited Bangalore 560 102

(Amount in INR Millions, unless otherwise stated)

33 Related party disclosures

In accordance with the requirements of Ind AS 24 Related Party Disclosures, names of the related parties, related party relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reported periods are as follows:

(a) Names of related parties and description of relationship as identified by the Company:

Subsidiaries

CIEL Skills and Careers Private Limited
Ma Foi Strategic Consultanats Private limited
Integrum Technologies Private Limited
Next Leap Carrer Solutions Private Limited
CIEL Technologies Private Limited
Aargee Staffing Services Private Limited
FirstVenture Corporation Private Limited

Entities over which KMP are able to exercise significant influence

Sornamal Educational Trust
The Ma Foi Foundation
Athera Enterprises Pvt Ltd

Key Management Personnel (KMP)/ Others

Karuppasamy Pandiarajan	Executive Chairman & Director
Adityanarayan Mishra	MD & CEO
Santosh Nair	Director & COO
Hemalatha Rajan	Executive Director
Doraiswamy Rajiv	Executive Director
Arunkumar Nerur Thiagarajan	Director
Saurabh Ashok More	Group CFO
Lalita Pasari	Company Secretary (w.e.f. 27 June 2024)

Key management personnel compensation:

Particulars	30 June 2024
Salaries and other employee benefits to Key Managerial Personnel	13.32

*Managerial remuneration does not include share based expenses, cost of employee benefits such as gratuity and compensated absences as provision for these are based on an actuarial valuation carried out for the Company as a whole.

Transactions with related parties during the period are as follows:

Name of the related party	Nature of the relationship	30 June 2024
Revenue from Operations		
Integrum Technologies Private Limited	Subsidiary	1.73
FirstVenture Corporation Private Limited	Subsidiary	0.76
Mafoi Strategic Consultants Pvt Ltd	Subsidiary	0.11
CIEL Skills and Careers Private Limited	Subsidiary	0.08
Aargee Staffing Services Private Limited	Subsidiary	0.31
Other Income		
CIEL Technologies Private Limited	Subsidiary	0.08
Integrum Technologies Private Limited	Subsidiary	0.54
Mafoi Strategic Consultants Pvt Ltd	Subsidiary	2.73
CIEL Skills and Careers Private Limited	Subsidiary	0.12
Aargee Staffing Services Private Limited	Subsidiary	0.15

Finance Costs	Nature of the relationship	30 June 2024
Interest on Debentures	Debentures held by Key Managerial Personnel	0.19

MSKA & ASSOCIATES Hyderabad Chartered Accountants

CIEL HR Services Limited Bangalore 560 102

CIEL HR Services Limited (Formerly known as CIEL HR Services Private Limited)
Special Purpose Interim Standalone Ind AS Financial Statements
Notes forming part of the Special Purpose Interim Standalone Ind AS Financial Statements
(Amount in INR Millions, unless otherwise stated)

Name of the related party	Nature of the relationship	30 June 2024
Other expenses		
CIEL Skills and Careers Private Limited	Subsidiary	0.33
Ma Foi Strategic Consultanats Private limited	Subsidiary	0.24
Integrum Technologies Private Limited	Subsidiary	4.74
Next Leap Carrer Solutions Private Limited	Subsidiary	0.72
Firstventure Corporation Private Limited	Subsidiary	0.12
Sornamal Educational Trust	Entities over which KMP are able to exercise significant influence	1.12

Dividend Payment	Nature of the relationship	30 June 2024
Karuppasamy Pandiarajan	Key Managerial Personnel	5.24
Aditya Narayan Mishra	Key Managerial Personnel	1.67
Santhosh Nair	Key Managerial Personnel	1.12
Hemalatha Rajan	Key Managerial Personnel	1.92
Doraiswamy Rajiv	Key Managerial Personnel	0.04

Amount due to/from related party :

Name of the related party	Nature of the relationship	30 June 2024
Trade Receivables		
CIEL Technologies Private Limited	Subsidiary	2.97
Integrum Technologies Private Limited	Subsidiary	0.80
Mafoi Strategic Consultants Pvt Ltd	Subsidiary	0.37
CIEL Skills and Careers Private Limited	Subsidiary	0.51
Next Leap Carrer Solutions Private Limited	Subsidiary	48.60
Aargee Staffing Services Private Limited	Subsidiary	0.33
Firstventure Corporation Private Limited	Subsidiary	0.90
Loans and advances given		
CIEL Skills and Careers Private Limited	Subsidiary	5.30
Ma Foi Strategic Consultanats Private limited	Subsidiary	133.14
Integrum Technologies Private Limited	Subsidiary	31.50
CIEL Technologies Private Limited	Subsidiary	5.19
Aargee Staffing Services Private Limited	Subsidiary	3.14
Other Financial Asset- Security Deposit		
Sornamal Educational Trust	Entities over which KMP are able to exercise significant influence	2.60
Trade payables		
CIEL Skills and Careers Private Limited	Subsidiary	0.16
Next Leap Carrer Solutions Private Limited	Subsidiary	0.78
Firstventure Corporation Private Limited	Subsidiary	0.43
Ma Foi Strategic Consultanats Private limited	Subsidiary	0.25

Non Current Borrowings - Debentures		
Name of the related party	**Nature of the relationship**	**Period Ended 30 June 2024**
Aditya Narayan Mishra	Key Managerial Personnel	1.35
Santhosh Nair	Key Managerial Personnel	1.20
Hemalatha Rajan	Key Managerial Personnel	5.00

M S K A & ASSOCIATES Hyderabad Chartered Accountants

CIEL HR Services Limited Bangalore 560 102

(Amount in INR Millions, unless otherwise stated)

34 Employee Benefits

(A) Defined contribution plans

Contribution towards employee provident fund and Others, which is a defined contribution plan for the period aggregated to Rs. 174.63 Mn.

A Defined benefit plans (for Core employees)

The Company has defined benefit gratuity plan for its employees. The gratuity plan is governed by the Payment of Gratuity Act,1972. Under the Act, every employee who has completed 5 years of service are eligible for gratuity on exit at 15 days last drawn salary for each completed year of service. The level of benefits provided depends on the member's duration of service and salary at retirement.

The following table summarise the components of net benefit expense recognised in the statement of profit and loss and amounts recognised in the balance sheet for the gratuity plan:

i) Amount recognised in balance sheet

Particulars	30 June 2024
Present value of obligation as at the end of the period	11.77
Fair Value of plan assets at the end of the period	-
Net (asset)/ liability recognized in Balance Sheet	11.77
Current liability	1.92
Non-current liability	9.85
Total	11.77

ii) Changes in the present value of benefit obligation

Particulars	30 June 2024
Present value of obligation at the beginning of the period	10.97
Included in profit or loss	
Current service cost	0.70
Past service cost	-
Interest cost	0.19
	0.89
Included in OCI	
Actuarial (gain)/ loss arising from:	
Changes in demographic Assumptions	-
Changes in financial assumptions	0.01
Experience adjustment	0.08
	0.09
Other	
Benefits paid	(0.18)
Present value of obligation at the end of the period	**11.77**

iii) Changes in the fair value of plan assets

The Company does not have any plan assets.

iv) Reconciliation of balance sheet amount

Particulars	30 June 2024
Opening net (asset)/liability	10.97
Expense/(income) recognised in profit and loss	0.89
Expense/(income) recognised in other comprehensive income	0.09
Benefits Paid directly be employer	(0.18)
Balance sheet (Asset)/Liability at the end of the period	**11.77**

v) Expense recognized in the statement of profit and loss

Particulars	30 June 2024
Current service cost	0.70
Past service cost	-
- Interest expense on DBO	0.19
Total expenses recognized in the statement of profit and loss	**0.89**

vi) Expense recognized in other comprehensive income

Particulars	30 June 2024
Actuarial (gains)/ losses arising from:	
- Experience	0.08
- Assumptions changes	0.01
Net actuarial (gains) / losses recognised in OCI	**0.09**

MSKA & ASSOCIATES Hyderabad Chartered Accountants

CIEL HR Services Limited Bangalore 560 102

(Amount in INR Millions, unless otherwise stated)

vii) Acturial Assumptions

The principal actuarial assumptions used in determining the present value of the defined benefit obligations (weighted average) include:

	30 June 2024
Gratuity plan	
Discount rate	7.17%
Future Salary growth	7.00%
Attrition rate	40.00%

viii) Maturity analysis

The expected maturity analysis of undiscounted gratuity and medical cost benefits obligations are as follows:

	30 June 2024
Within one year	2.03
Between one and two years	1.56
Between two and five years	2.38
Later than five years	13.35
	19.32

ix) Sensitivity analysis

The impact to the value of the defined benefit obligation of a reasonably possible change to one actuarial assumption, holding all other assumption constant, is presented in the table below. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method has been applied as when calculating the defined benefit liability recognised in the balance sheet.

Particulars	30 June 2024
Change in Discount rate	
Delta effect + 1%	(0.62)
Delta effect - 1%	0.70
Change in rate of salary increase	
Delta effect + 1%	0.47
Delta effect - 1%	(0.44)
Change in withdrawal rate	
Delta effect + 1%	0.06
Delta effect - 1%	0.06
Change in Mortality rate	
Delta effect + 1%	0.00

The sensitivity analysis presented above may not be representative of the actual change in the Defined Benefit Obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

B Defined benefit plans (for Deputee employees)

The Company has defined benefit gratuity plan for its employees. The gratuity plan is governed by the Payment of Gratuity Act,1972. Under the Act, every employee who has completed 5 years of service are eligible for gratuity on exit at 15 days last drawn salary for each completed year of service. The level of benefits provided depends on the member's duration of service and salary at retirement. The company has a contractual right to receive the reimbursement of the gratuity benefits provided to its deputees.

The Company has recognised gratuity liability and reimbursement rights in respect of deputee employees in accordance with IND AS 19.

The following table summarise the components of net benefit expense recognised in the statement of profit and loss and amounts recognised in the balance sheet for the gratuity plan:

i) Amount recognised in balance sheet

Particulars	30 June 2024
Present value of obligation as at the end of the period	124.30
Fair Value of plan assets at the end of the period	-
Net (asset) / liability recognized in Balance Sheet	**124.30**
Current liability	17.83
Non-current liability	106.47
Total	**124.30**

CIEL HR Services Limited Bangalore 560 102

M S K A & ASSOCIATES Hyderabad Chartered Accountants

(Amount in INR Millions, unless otherwise stated)

ii) Changes in the present value of benefit obligation

Particulars	**30 June 2024**
Present value of obligation at the beginning of the period	111.58
Included in profit or loss	
Current service cost	14.62
Past service cost	-
Interest cost	2.00
	16.62
Included in OCI	
Actuarial (gain)/ loss arising from:	
Changes in demographic Assumptions	-
Changes in financial assumptions	0.06
Experience adjustment	(3.96)
Return on plan assets excluding interest income	-
	(3.90)
Others	
Benefits paid	-
Present value of obligation at the end of the period	**124.30**

iii) Changes in the fair value of plan assets

The Company does not have any plan assets.

iv) Reconciliation of balance sheet amount

Particulars	**30 June 2024**
Opening net (asset)/liability	111.58
Expense/(income) recognised in profit and loss	16.62
Expense/(income) recognised in other comprehensive income	(3.90)
Balance sheet (Asset)/Liability at the end of the period	**124.30**

v) Expense recognized in the statement of profit and loss

Particulars	**30 June 2024**
Current service cost	14.62
Net Interest cost	-
Past service cost	
- Interest expense on DBO	2.00
Total expenses recognized in the statement of profit and loss	**16.62**

The above employee benefits expense towards gratuity is recognised net of amounts relating to changes in the carrying amount of the right to reimbursement.

vi) Expense recognized in other comprehensive income

Particulars	**30 June 2024**
Actuarial (gains)/ losses arising from:	
- Experience	(3.96)
- Assumptions changes	0.06
Net actuarial (gains) / losses recognised in OCI	**(3.90)**

vii) Acturial Assumptions

The principal actuarial assumptions used in determining the present value of the defined benefit obligations (weighted average) include:

	30 June 2024
Gratuity plan	
Discount rate	7.16%
Future Salary growth	7.00%
Attrition rate	50.00%

CIEL HR Services Limited
Bangalore 560 102

MSKA & ASSOCIATES
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(Amount in INR Millions, unless otherwise stated)

viii) Maturity analysis

The expected maturity analysis of undiscounted gratuity and medical cost benefits obligations are as follows:

	30 June 2024
Within one year	18.66
Between one and two years	11.50
Between two and five years	18.27
Later than five years	21.30
	69.73

ix) Sensitivity analysis

The impact to the value of the defined benefit obligation of a reasonably possible change to one actuarial assumption, holding all other assumption constant, is presented in the table below. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method has been applied as when calculating the defined benefit liability recognised in the balance sheet.

Particulars	30 June 2024
Change in Discount rate	
Delta effect + 1%	(5.93)
Delta effect - 1%	6.55
Change in rate of salary increase	
Delta effect + 1%	5.95
Delta effect - 1%	(12.48)
Change in withdrawal rate	
Delta effect + 1%	(2.30)
Delta effect - 1%	2.38
Change in Mortality rate	
Delta effect + 1%	0.01

The sensitivity analysis presented above may not be representative of the actual change in the Defined Benefit Obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

x) Gratuity is a defined benefit plan and entity is exposed to the following risks:

1) Actuarial Risk:
It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons :
- Adverse Salary Growth Experience
- Variability in mortality rates
- Variability in withdrawal rates

2) Liquidity Risk:
Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the company there can be strain on the cashflows.

3) Market Risk:
Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & viceversa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

4) Legislative Risk:
Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

MSKA & ASSOCIATES Hyderabad Chartered Accountants

CIEL HR Services Limited Bangalore 560 102

(Amount in INR Millions, unless otherwise stated)

35 Fair values of financial assets and financial liabilities

Particulars	30 June 2024 Carrying Amount	30 June 2024 Fair Value
Financial assets		
Financial assets valued at amortized cost		
Non Current		
Investments	359.10	359.10
Other financial assets	49.54	49.54
Current		
Trade receivable	1,432.81	1,432.81
Loans	178.28	178.28
Cash and cash equivalents	15.56	15.56
Total financial assets	**2,035.29**	**2,035.29**
Financial liabilities		
Financial Liabilities valued at amortized cost		
Non Current		
Borrowings	43.70	43.70
Lease Liabilities	9.88	9.88
Current		
Borrowings	532.18	532.18
Trade payables	83.76	83.76
Lease Liability	11.14	11.14
Other financial Liabilities	665.08	665.08
Total financial liabilities	**1,345.74**	**1,345.74**

The management assessed that fair value of cash and short-term deposits, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

(i): For the purpose of above abbreviations, FVTOCI - Fair value through other comprehensive income; amortised cost - fair value through amortized cost.

2: Other financial assets and liabilities relate to level 3 financial instruments where the carrying value reasonably approximates to their fair value.

The following is the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

•Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

•Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

•Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The company does not have any financial assets or financial liabilities fair valued through Profit or loss or fair value through OCI. Accordingly, disclosure of financial instruments by valuation technique is not provided.

36 Financial risk management objectives and policies

The Company is exposed to various financial risks. These risks are categorized into market risk, credit risk and liquidity risk. The Company's risk management is coordinated by the Board of Directors and focuses on securing long term and short term cash flows. The Company does not engage in trading of financial assets for speculative purposes.

(A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings and derivative financial instruments.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

Interest rate sensitivity: The company do not have any exposure to borrowings with fluctuating interest rates during the period ending 30 June 2024.

MSKA & ASSOCIATES ★ Hyderabad ★ Chartered Accountants

CIEL HR Services Limited Bangalore 560 102

(Amount in INR Millions, unless otherwise stated)

(ii) Price risk

The Company do not have any exposure to price risk, as the company do not have any investments in mutual funds (debt fund, equity fund, liquid schemes and income funds etc.), short term debt funds, government securities etc.

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a different currency from the Company's functional currency).

The Company is not significantly exposed to currency risk as the Company's functional currency in INR and revenues and costs are primarily denominated in INR and therefore disclosures required under "Ind AS 107 - Financial Instruments: Disclosures" have not been given.

(B) **Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from the Company's receivables from deposits with landlords and other statutory deposits with regulatory agencies and also arises from cash held with banks and financial institutions. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

The Company limits its exposure to credit risk of cash held with banks by dealing with highly rated banks and institutions and retaining sufficient balances in bank accounts required to meet a month's operational costs. The Management reviews the bank accounts on regular basis and fund drawdowns are planned to ensure that there is minimal surplus cash in bank accounts. The Company does a proper financial and credibility check on the landlords before taking any property on lease and hasn't had a single instance of non-refund of security deposit on vacating the leased property. The Company also in some cases ensure that the notice period rentals are adjusted against the security deposits and only differential, if any, is paid out thereby further mitigating the non-realization risk. The Company does not foresee any credit risks on deposits with regulatory authorities.

(C) **Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

30 June 2024	**Carrying Amount**	**Up to 3 Months**	**3 to 12 months**	**1 to 5 years**	**More than 5 years**	**Total**
Short term borrowings	532.18	11.98	520.20	-	-	532.18
Long-term borrowings	43.70	-	-	43.70	-	43.70
Lease Liability	21.02	3.67	7.47	9.88	-	21.02
Trade payables	83.76	36.84	46.92	-	-	83.76
Other financial liability	665.08	665.08	-	-	-	665.08
	1,345.74	**717.57**	**574.59**	**53.58**	**-**	**1,345.74**

M S K A & ASSOCIATES Hyderabad Chartered Accountants

CIEL HR Services Limited Bangalore 560 102

(Amount in INR Millions, unless otherwise stated)

37 Employee Stock Option Scheme (ESOP)

The board vide its resolution dated 12 January 2022 and members in the extra ordinary general meeting held on 27 January 2022, approved the "CIEL HR Services Private Limited Employee Stock Option Plan, 2022 – for granting Employee Stock Options in form of equity shares linked to the completion of a minimum period of continued employment to the eligible employees of the Company, monitored and supervised by the Board of Directors. The employees can purchase equity shares by exercising the options as vested at the price specified in the grant.

Once vested, the options remain exercisable for a period of 02 years.

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the period.

Particulars	30 June 2024	
	Number	**WAEP (INR)**
Options outstanding at beginning of the period	68,110	10
Add:		
Options granted during the period	-	
Less:		
Options exercised during the period	1,100	10
Options forfeited during the period	1,200	10
Options outstanding at the end of the period	**65,810**	10
Option exercisable at the end of the period	**60,810**	

The options outstanding at the period ending on 30 June with exercise price of Rs.10 are 65,810 options and the weighted average remaining contractual life of all options are 1.35 years.

The fair value of Employee Stock Options has been measured using Black Scholes Model of pricing.
The fair value of the options and the inputs used in the measurement of the grant-date fair values of the equity-settled share based payment plans are as follows:

Particulars	**30 June 2024**
Weighted average fair value of the options at the grant dates (INR)	1193.26
Dividend yield (%)	0%
Risk free interest rate (%)	4.97% to 5.67%
Expected life of share options (years)	2 to 3 years
Expected volatility (%)	39.07% to 44.26%
Weighted average share price (INR)	1193.26

Refer note 26 for total expenses arising from Employee Stock Option Scheme (ESOP) recognised in statement of profit or loss.

38 Other Statutory Information

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.
(ii) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
(iii) The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956,
(iv) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
(v) The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
(vi) The company has not entered into any scheme of arrangement which has an accounting impact on current period or previous financial year.
(vii) Utilisation of Borrowed funds and share premium:

(i) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(a)directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(ii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

M S K A & ASSOCIATES Hyderabad Chartered Accountants

CIEL HR Services Limited Bangalore 560 102

(Amount in INR Millions, unless otherwise stated)

40 The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the period (and previous year) in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

41 Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, the Company, meets the applicability threshold for the period ended 30 June 2024 and hence company is required to spend funds on Corporate Social Responsibility ("CSR") activities. The Corporate Social Responsibility ("CSR") committee has been formed by the Company as per the Act. The areas for CSR activities are skill development, environment protection and sustainability and health and safety. The funds required to be spent and funds spent during the year are explained below:

41.01

Particulars	30 June 2024
Gross Amount required to be spent as per Section 135 of the Act	**0.75**
Add: Amount Unspent from previous periods	-
Total Gross amount required to be spent during the period	**0.75**

41.02 **Amount spent during the period**

Particulars	30 June 2024
No amount has been spent on CSR activities during the period	

42 Subsequent Events

On 10 July 2024, the company has acquired the remaining stake of 48.99 % in Ma Foi Strategic Consultants Private Limited, 49.02% in CIEL Skills and Careers Private Limited and 14% in Integrum Technologies Private Limited for a total consideration of Rs. 160.76 Mn, Rs.151.38 Mn and Rs. 14.00 Mn respectively. The purchase consideration for the acquisition of remaining stake was discharged by issuance of equity shares of the company. Further the company has entered into a definitive agreement to acquire the remaining stake of 23.5% in Integrum Technologies Private Limited over a period of two years.

43 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, convertible preference shares, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximize the shareholder value and to ensure the Company's ability to continue as a going concern.

The Company has distributed dividend to its shareholders. The Company monitors gearing ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and debt. Total debt comprises of non-current borrowing which represents term loans from banks and financial institutions and Debentures (both Non-Convertible Debentures and Compulsorily Convertible Debentures) and current borrowing in the form of Cash Credits and Overdraft Facilities. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

		30 June 2024
Equity		868.58
Convertible preference share		-
Total equity	(i)	868.58
Borrowings other than convertible preference shares		575.88
Less: cash and cash equivalents		(15.56)
Total debt	(ii)	560.32
Overall financing	(iii) = (i) + (ii)	1,428.90
Gearing ratio	(ii)/ (iii)	39%

No changes were made in the objectives, policies or processes for managing capital during the period ending 30 June 2024.

CIEL HR Services Limited ★ Bangalore 560 102

M S K A & ASSOCIATES ★ Chartered Accountants ★ Hyderabad

44 The Board of Directors at their meeting held on 3 May, 2024 has declared interim dividend of INR 1.40 per equity share (face value of INR 10.00 each) for the financial year 2023-24 aggregating to INR 11.31 Mn which was paid on 6 June 2024.

The Company is in compliance with Section 123 of the Act.

45 **The Code on Social Security 2020**

The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued.The Company will assess the impact of the Code and will give appropriate impact in the financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published. Based on a preliminary assessment, the entity believes the impact of the change will not be significant.

46 The special purpose standalone interim financial statements are approved for issue by the Company's Board of Directors on 03 October 2024.

As per our report of even date
For M S K A & Associates
Chartered Accountants
Firm Registration No.:105047W

Ananthakrishnan Govindan
Partner
Membership No: 205226

M S K A & ASSOCIATES Hyderabad Chartered Accountants

Place: Hyderabad, India
Date: 03 October 2024

For and on behalf of the Board of Directors of
CIEL HR Services Limited (Formerly known as CIEL HR Services Private Limited)
CIN: U74140TN2010PLC077095

Karuppasamy Pandiarajan
Chairman and Executive Director
DIN:00116011

Place: Chennai, India
Date: 03 October 2024

Aditya Narayan Mishra
Managing Director and CEO
DIN: 05303409

Place: Bangalore, India
Date: 03 October 2024

Saurabh Ashok More
Group Chief Financial Officer

Place: Bangalore, India
Date: 03 October 2024

CIEL HR Services Limited Bangalore 560 102

Lalita Pasari
Company Secretary

Place: Bangalore, India
Date: 03 October 2024